

In this article we give the opportunity to an active member of a campaign for the release of Lorrain Osman to outline their case. Our magazine believes that Justice is a universal principle and that important questions as to the handling of extradition cases are raised as a consequence of this affair.

On the evening of 6th December, 1985, a Malaysian-born businessman was arrested at his St John's Wood home on an extradition warrant issued by the Hong Kong authorities. It was alleged, specifically, that Lorrain Esme Osman had accepted some US\$ 10-12 million in bribes from a high-flying property speculator to facilitate loans to his company, the Carrian Group. Carrian had crashed in 1982 with debts of several billions of Hong Kong dollars; in its wake had followed several arrests, one murder, one suspicious death and a financial/political scandal that had rocked the governments of Hong Kong and Malaysia. In Britain though, the scandal has taken on a different flavour, or perhaps one should say smell, because the aforementioned Lorrain Osman has been held without bail since the day of his arrest, making him by far the longest serving unconvicted prisoner in modern British criminal history. **In fact he qualifies for inclusion in *The Guinness Book of Records*!** Mr Osman is now over sixty years old.

CASE HISTORY

The circumstances which led up to Mr Osman's arrest are long, torturous and no less scandalous. Briefly they are as follows: in 1965, when Mr Osman was in practice as a lawyer in Kuala Lumpur, the government of Malaysia decided to set up a bank specifically to finance the native Malays (Bumiputras). This was known as Bank Bumiputra Malaysia Berhad (BBMB). A Hong Kong subsidiary of BBMB, Bumiputra Malaysia Finance was one of the principal backers of Carrian. The man behind Carrian was a Malaysian Chinese named George Tan: it is widely believed that George Tan and the Carrian Group were manipulated by high ranking officials in the Malaysian government for their own express political purposes.

Carrian went from strength to strength, and from its inception in 1979 it grew in under three years until there was talk of its taking over major corporations. However, things turned sour in 1982 when the bottom fell out of the Hong Kong property market. Carrian, like many other property companies, found itself short of liquidity. Upon closer examination the Carrian "*instant empire*" turned out to be a castle in the air: its assets were many times overvalued; it had borrowed heavily from numerous financial institutions; and with the arrest of George Tan for false accounting, it collapsed completely, notwithstanding a year long fight to save it from the liquidators.

Carrian's creditors included the Hong Kong and Shanghai Bank and the Royal Bank of Scotland, but its main creditor was BMF. The fact that a bank which had been set up specifically to assist ethnic Malays had instead been financing a Chinese property speculator in Hong Kong was a scandal in itself, but when it was revealed that George Tan had been



Lorrain Osman

extremely 'generous' dishing out 'consultancy fees' to bankers who obliged him with huge unsecured loans, and when several top Malaysian politicians were in danger of being roped in, the authorities in both Malaysia and Hong Kong started looking round for a patsy. They found two: Lorrain Osman and fellow BMF director Hashim Shamsuddin.

PHYSICAL THREATS

In December 1984, Lorrain, who is a Cambridge graduate, brought his family to London for a holiday. When threats were made against them by outraged investors, he decided, prudently, not to return to Malaysia.

He was arrested together with Hashim Shamsuddin and both were remanded in custody until they could be extradited. Shamsuddin gave up the fight against extradition in 1986, went back to Hong Kong and after being gaoled for four and a half years, had his sentence increased to ten years.

NO JUSTICE

Lorrain Osman has been fighting extradition all this time because he feels, with more than a little justification that he would not be able to receive a fair trial in Hong Kong. Indeed, when one examines the facts of the case, one can only conclude that the authorities are committed to convicting him, locking him up and throwing away the key.

The following facts are not disputed:

Mr Osman was only a non-executive director of BMF, and although he visited Hong Kong once or twice a month, he had nothing to do with the day-to-day running of the bank. The general manager of the bank was a man named Ibrahim Jaafar.

The 'star witness' against Lorrain Osman is Ibrahim Jaafar. Mr Jaafar is a self-confessed liar whose testimony was described by a judge as monumentally unreal.

Mr. Jaafar has been given Crown Immunity and will not be prosecuted **provided** he gives evidence against Lorrain Osman.

The state prosecutor who instigated proceedings against Mr Osman after visiting Malaysia has now been discredited. Earlier this

year, Warwick Read was himself sentenced to eight years imprisonment for corruption.

The bank has recently admitted "*losing*" some three thousand documents, some of which may be relevant to this case.

The governments of Britain and Hong Kong have suppressed some 150 documents under so-called "*public interest immunity*" legislation.

In Britain, Mr. Osman's legal team have been harassed, their telephones have been tapped, and attempts have been made to discredit both them and him.

In October he was moved to Brixton Prison where he is now classified a Category A prisoner. This category is usually reserved for the highly dangerous who would be a threat to the public, the police or the state if they were to escape!

On Tuesday 27th November, 1990, his residence was raided by up to thirty police, some of them armed, after receiving an anonymous tip-off that his wife's bodyguards were armed. According to Barry Sherman MP in an article published in *The Guardian* of Wednesday, 28th November: "*(This) is the latest in a long series of executive actions designed to pressurise this man into giving up his fight for freedom*".

Barry Sherman, Bruce Kent (CND) and many other prominent politicians and public figures have called this case a scandal. When one bears in mind that Ernest Saunders, the ringleader of the Guinness conspirators was gaoled for a mere five years and will probably serve less than two in an open prison after being **convicted** of similar offences on the clearest possible evidence while Lorrain Osman has already served five years with no end to his suffering in sight, the enormity of this injustice is brought home.

The Friends of Lorrain Osman can be contacted at Room 10, 29 Harper Road, London, SE1.

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